

As Introduced

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Representative Wagoner

**Cosponsors: Representatives Ujvagi, Szollosi, Peterson, Latta, Stebelton,
Brown, Uecker**

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A B I L L

To amend sections 133.20 and 307.041 of the Revised 1
Code to require that the amount spent by counties 2
on energy conservation measures be unlikely to 3
exceed the amount saved in energy and operating 4
costs over the average system life of the 5
measures, and to require that financed measures be 6
paid for within their average system life. 7

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 133.20 and 307.041 of the Revised 8
Code be amended to read as follows: 9

Sec. 133.20. (A) This section applies to bonds that are 10
general obligation Chapter 133. securities. If the bonds are 11
payable as to principal by provision for annual installments, the 12
period of limitations on their last maturity, referred to as their 13
maximum maturity, shall be measured from a date twelve months 14
prior to the first date on which provision for payment of 15
principal is made. If the bonds are payable as to principal by 16
provision for semiannual installments, the period of limitations 17
on their last maturity shall be measured from a date six months 18

prior to the first date on which provision for payment of 19
principal is made. 20

(B) Bonds issued for the following permanent improvements or 21
for permanent improvements for the following purposes shall have 22
maximum maturities not exceeding the number of years stated: 23

(1) Fifty years: 24

(a) The clearance and preparation of real property for 25
redevelopment as an urban redevelopment project; 26

(b) Acquiring, constructing, widening, relocating, enlarging, 27
extending, and improving a publicly owned railroad or line of 28
railway or a light or heavy rail rapid transit system, including 29
related bridges, overpasses, underpasses, and tunnels, but not 30
including rolling stock or equipment; 31

(c) Pursuant to section 307.675 of the Revised Code, 32
constructing or repairing a bridge using long life expectancy 33
material for the bridge deck, and purchasing, installing, and 34
maintaining any performance equipment to monitor the physical 35
condition of a bridge so constructed or repaired. Additionally, 36
the average maturity of the bonds shall not exceed the expected 37
useful life of the bridge deck as determined by the county 38
engineer under that section. 39

(2) Forty years: 40

(a) General waterworks or water system permanent 41
improvements, including buildings, water mains, or other 42
structures and facilities in connection therewith; 43

(b) Sewers or sewage treatment or disposal works or 44
facilities, including fireproof buildings or other structures in 45
connection therewith; 46

(c) Storm water drainage, surface water, and flood prevention 47
facilities. 48

(3) Thirty-five years:	49
(a) An arena, a convention center, or a combination of an arena and convention center under section 307.695 of the Revised Code;	50 51 52
(b) Sports facilities.	53
(4) Thirty years:	54
(a) Municipal recreation, excluding recreational equipment;	55
(b) Urban redevelopment projects;	56
(c) Acquisition of real property;	57
(d) Street or alley lighting purposes or relocating overhead wires, cables, and appurtenant equipment underground.	58 59
(5) Twenty years: constructing, reconstructing, widening, opening, improving, grading, draining, paving, extending, or changing the line of roads, highways, expressways, freeways, streets, sidewalks, alleys, or curbs and gutters, and related bridges, viaducts, overpasses, underpasses, grade crossing eliminations, service and access highways, and tunnels.	60 61 62 63 64 65
(6) Fifteen years:	66
(a) Resurfacing roads, highways, streets, or alleys;	67
(b) Alarm, telegraph, or other communications systems for police or fire departments or other emergency services;	68 69
(c) Passenger buses used for mass transportation;	70
(d) Energy conservation measures as authorized by section 133.06 of the Revised Code.	71 72
(7) Ten years:	73
(a) Water meters;	74
(b) Fire department apparatus and equipment;	75
(c) Road rollers and other road construction and servicing	76

vehicles;	77
(d) Furniture, equipment, and furnishings;	78
(e) Landscape planting and other site improvements;	79
(f) Playground, athletic, and recreational equipment and apparatus;	80 81
(g) Energy conservation measures as authorized by section 307.041 , 505.264, or 717.02 of the Revised Code.	82 83
(8) Five years: New motor vehicles other than those described in any other division of this section and those for which provision is made in other provisions of the Revised Code.	84 85 86
(C) Bonds issued for any permanent improvements not within the categories set forth in division (B) of this section shall have maximum maturities of from five to thirty years as the fiscal officer estimates is the estimated life or period of usefulness of those permanent improvements. Bonds issued under section 133.51 of the Revised Code for purposes other than permanent improvements shall have the maturities, not to exceed forty years, that the taxing authority shall specify. <u>Bonds issued for energy conservation measures under section 307.041 of the Revised Code shall have maximum maturities not exceeding the average life of the energy conservation measures as detailed in the energy conservation report prepared under that section.</u>	87 88 89 90 91 92 93 94 95 96 97 98
(D) Securities issued under section 505.265 or 717.07 of the Revised Code shall mature not later than December 31, 2035.	99 100
(E) A securities issue for one purpose may include permanent improvements within two or more categories under divisions (B) and (C) of this section. The maximum maturity of such a bond issue shall not exceed the average number of years of life or period of usefulness of the permanent improvements as measured by the weighted average of the amounts expended or proposed to be	101 102 103 104 105 106

expended for the categories of permanent improvements. 107

Sec. 307.041. (A) As used in this section, "energy 108
conservation measure" means an installation or modification of an 109
installation in, or remodeling of, an existing building, to reduce 110
energy consumption. ~~It~~ "Energy conservation measure" includes the 111
following: 112

(1) Insulation of the building structure and of systems 113
within the building; 114

(2) Storm windows and doors, multiglazed windows and doors, 115
heat-absorbing or heat-reflective glazed and coated window and 116
door systems, additional glazing, reductions in glass area, and 117
other window and door system modifications that reduce energy 118
consumption; 119

(3) Automatic energy control systems; 120

(4) Heating, ventilating, or air conditioning system 121
modifications or replacements; 122

(5) Caulking and weatherstripping; 123

(6) Replacement or modification of lighting fixtures to 124
increase the energy efficiency of the system without increasing 125
the overall illumination of a facility, unless such an increase in 126
illumination is necessary to conform to the applicable state or 127
local building code for the proposed lighting system; 128

(7) Energy recovery systems; 129

(8) Cogeneration systems that produce steam or forms of 130
energy such as heat, as well as electricity, for use primarily 131
within a building or complex of buildings; 132

(9) Acquiring, constructing, furnishing, equipping, improving 133
the site of, and otherwise improving a central utility plant to 134
provide heating and cooling services to a building or buildings 135

together with distribution piping and ancillary distribution 136
controls, equipment, and related facilities from the central 137
utility plant to the building or buildings; 138

(10) Any other modification, installation, or remodeling 139
approved by the board of county commissioners as an energy 140
conservation measure. 141

(B) For the purpose of evaluating county buildings for energy 142
conservation measures, a county may contract with an architect, 143
professional engineer, energy services company, contractor, or 144
other person experienced in the design and implementation of 145
energy conservation measures for a an energy conservation report 146
that analyzes. The report shall include all of the following: 147

(1) Analyses of the buildings' energy needs and ~~presents~~ 148
recommendations for building installations, modifications of 149
existing installations, or building remodeling that would 150
significantly reduce energy consumption in the buildings owned by 151
that county. ~~The report shall include estimates;~~ 152

(2) Estimates of all costs of ~~such~~ those installations, those 153
modifications, or that remodeling, including costs of design, 154
engineering, installation, maintenance, and repairs, ~~and~~ 155
estimates; 156

(3) Estimates of the amounts by which energy consumption 157
could be reduced; 158

(4) The interest rate used to estimate the costs of any 159
energy conservation measures that are to be financed; 160

(5) The average system life of the energy conservation 161
measures; 162

(6) Estimates of the likely savings that will result from the 163
reduction in energy consumption over the average system life of 164
the energy conservation measure, including the methods used to 165

estimate the savings; 166

(7) A certification under the seal of a registered professional engineer that the energy conservation report uses reasonable methods of analysis and estimation. 167
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(C)(1) A county desiring to implement energy conservation measures may proceed under either of the following methods: 170
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~~(1)~~(a) Using a report or any part of a an energy conservation report prepared under division (B) of this section, advertise for bids and, except as otherwise provided in this section, comply with sections 307.86 to 307.92 of the Revised Code; 172
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~~(2)~~(b) Notwithstanding sections 307.86 to 307.92 of the Revised Code, request proposals from at least three vendors for the implementation of energy conservation measures. A request for proposals shall require the installer that is awarded a contract under division (C)(2)(b) of this section to prepare an energy conservation report in accordance with division (B) of this section. Prior to sending any installer of energy conservation measures a copy of any ~~such~~ request for proposals, the county shall advertise its intent to request proposals for the installation of energy conservation measures in a newspaper of general circulation in the county once a week for two consecutive weeks. The notice shall state that the county intends to request proposals for the installation of energy conservation measures; indicate the date, which shall be at least ten days after the second publication, on which the request for proposals will be mailed to installers of energy conservation measures; and state that any installer of energy conservation measures interested in receiving the request for ~~proposal~~ proposals shall submit written notice to the county not later than noon of the day on which the request for ~~proposal~~ proposals will be mailed. 176
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(2)(a) Upon receiving the proposals bids under division 196

(C)(1)(a) of this section, the county shall analyze them and 197
select the ~~proposal or proposals~~ lowest and best bid or bids most 198
likely to result in the greatest energy savings considering the 199
cost of the project and the county's ability to pay for the 200
improvements with current revenues or by financing the 201
improvements. ~~The~~ 202

(b) Upon receiving proposals under division (C)(1)(b) of this 203
section, the county shall analyze the proposals and the 204
installers' qualifications and select the most qualified installer 205
to prepare an energy conservation report in accordance with 206
division (B) of this section. After receipt and review of the 207
energy conservation report, the county may award a contract to the 208
selected installer to install the energy conservation measures 209
that are most likely to result in the greatest energy savings 210
considering the cost of the project and the county's ability to 211
pay for the improvements with current revenues or by financing the 212
improvements. 213

(c) The awarding of a contract to install energy conservation 214
measures under division (C)(2)(a) or (b) of this section shall be 215
conditioned upon a finding by the contracting authority that the 216
amount of money spent on the energy ~~savings~~ conservation measures 217
is not likely to exceed the amount of money the county would save 218
in energy ~~and, operating, maintenance, and avoided capital~~ costs 219
~~over ten years or a lesser period as determined by the contracting~~ 220
~~authority or, in the case of contracts for cogeneration systems,~~ 221
~~over five years or a lesser period as determined by the~~ 222
~~contracting authority~~ average system life of the energy 223
conservation measures as specified in the energy conservation 224
report. In making such a finding, the contracting authority may 225
take into account increased costs due to inflation as shown in the 226
energy conservation report. Nothing in this ~~section~~ division 227
prohibits a county from rejecting all bids or proposals under 228

division (C)(1)(a) or (b) of this section or from selecting more 229
than one bid or proposal. 230

(D) A board of county commissioners may enter into an 231
installment payment contract for the purchase and installation of 232
energy conservation measures. ~~Those provisions~~ Provisions of such 233
installment payment contracts that deal with interest charges and 234
financing terms shall not be subject to the competitive bidding 235
requirements of section 307.86 of the Revised Code, and shall be 236
on the following terms: 237

(1) Not less than ~~one-tenth~~ a specified percentage, as 238
determined and approved by the board of county commissioners, of 239
the costs of the contract shall be paid within two years from the 240
date of purchase. 241

(2) The remaining balance of the costs of the contract shall 242
be paid within ~~ten years from the date of purchase or, in the case~~ 243
~~of contracts for cogeneration systems, within five years from the~~ 244
~~date of purchase~~ average system life of the energy conservation 245
measures as specified in the energy conservation report. 246

~~Unless otherwise approved by a resolution of the board, an~~ 247
~~installment payment contract entered into by a board of county~~ 248
~~commissioners under this section shall require the board to~~ 249
~~contract in accordance with section 307.86 of the Revised Code for~~ 250
~~the installation, modification, or remodeling of energy~~ 251
~~conservation measures pursuant to this section.~~ 252

(E) The board of county commissioners may issue the notes of 253
the county specifying the terms of ~~the~~ a purchase of energy 254
conservation measures under this section and securing ~~the~~ any 255
deferred payments provided for in division (D) of this section. 256
The notes shall be payable at the times provided and ~~bearing~~ bear 257
interest at a rate not exceeding the rate determined as provided 258
in section 9.95 of the Revised Code. The notes may contain an 259

option for prepayment and shall not be subject to Chapter 133. of 260
the Revised Code. Revenues derived from local taxes or otherwise, 261
for the purpose of conserving energy or for defraying the current 262
operating expenses of the county, may be pledged and applied to 263
the payment of interest and the retirement of ~~such the~~ notes. The 264
notes may be sold at private sale or given to the contractor under 265
~~the an~~ installment payment contract authorized by division (D) of 266
this section. 267

(F) Debt incurred under this section shall not be included in 268
the calculation of the net indebtedness of a county under section 269
133.07 of the Revised Code. 270

Section 2. That existing sections 133.20 and 307.041 of the 271
Revised Code are hereby repealed. 272

Section 3. The amendments to sections 133.20 and 307.041 of 273
the Revised Code by this act apply to any proceedings commenced 274
after the effective date of this act and, so far as the provisions 275
thereof support the actions taken, to any proceedings pending or 276
in progress on, or completed prior to, the effective date of this 277
act. The authority provided by sections 133.20 and 307.041 of the 278
Revised Code as amended by this act is supplemental to and not in 279
derogation of any similar authority provided by, derived from, or 280
implied by any law, the Constitution, or any charter, resolution, 281
or ordinance, and no inference shall be drawn to negate the 282
authority thereunder by reason of the express provisions contained 283
in sections 133.20 and 307.041 of the Revised Code as amended by 284
this act. 285